

Message Text

LIMITED OFFICIAL USE

PAGE 01 DACCA 06132 01 OF 02 040146Z

67

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 TRSY-02 IGA-02 L-03 AGRE-00 /097 W

----- 124755

R 031000Z DEC 76

FM AMEMBASSY DACCA

TO SECSTATE WASHDC 2847

INFO AMEMBASSY ROME

LIMITED OFFICIAL USE SECTION 1 OF 2 DACCA 6132

E.O. 11652: N/A

TAGS: EAIG, EAGR, BG

SUBJECT: BANGLADESH DONOR FOOD COORDINATION

REF: STATE 273761

1. SUMMARY: WE OFFER ALTERNATIVE APPROACH TO PROBLEM OF DONOR COORDINATION AND SEEK DEPARTMENT REACTION BEFORE UNDERTAKING CONSULTATIONS WITH OTHER FOOD DONORS AS SUGGESTED REFTEL. WE ARE CONCERNED THAT DONOR PRESSURES ON BDG TO IMPLEMENT FOOD POLICY MEASURES MIGHT PROVE COUNTER-PRODUCTIVE WITHOUT FULL BDG INVOLVEMENT IN DECISION-MAKING PROCESS. AT PRESENT, THERE IS LITTLE FORMAL DONOR COORDINATION OF FOOD AID OR OF RECOMMENDATIONS TO THE BDG ON FOOD POLICY MEASURES. WE SUGGEST WE PRESS FOR A RESUMPTION OF THE WFP ADVISER'S FOODGRAIN FORECASTS; LEAVE COORDINATION OF ACTUAL SHIPMENT SCHEDULING TO THE BDG, BUT ON BASIS OF CLOSE CONSULTATIONS WITH DONORS; AND PRESS VIGOROUSLY FOR EARLY CREATION OF A DONOR-SUPPORTED FOOD POLICY CELL WITHIN THE BDC. AGATT DISSENTS FROM PART OF THIS RECOMMENDATION. END SUMMARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 DACCA 06132 01 OF 02 040146Z

2 WE SHARE VIEWS EXPRESSED REFTEL CONCERNING THE PACE

OF IMPLEMENTATION OF FOOD POLICY MEASURES ANNOUNCED BY THE BDG AT MAY, 1976 AID GROUP MEETING. WE ALSO AGREE THAT CONCERTED AND SUSTAINED ATTENTION BY MAJOR FOOD DONORS IS PROBABLY PREREQUISITE TO BDG ACTION. HOWEVER, WE ARE EQUALLY CONCERNED THAT WAY IN WHICH BDG ATTENTION IS GAINED DOES NOT BECOME AN ISSUE IN ITSELF. IN THIS REGARD, DONOR CONSULTATIVE GROUP WHICH EXCLUDES BDG WOULD LIKELY BE PERCEIVED AS EFFORT TO "GANG UP" OR OTHERWISE DICTATE TERMS IN EXCHANGE FOR VITAL FOOD IMPORTS. A COROLLARY CONSIDERATION IS THAT IF A DONOR GROUP IS FORMED AS A RESULT OF A U.S. INITIATIVE, OUR PRESENT POSTURE OF ACTING IN CONSONANCE WITH OTHERS WOULD BE SIGNIFICANTLY RECAST INTO LEADERSHIP MOLD. IN ANY EVENT WE SUSPECT THAT UPON CONSIDERATION OF CONSEQUENCES OF FORMING AN EXCLUSIVE DONOR GROUP SOME DONORS WOULD DECLINE TO PARTICIPATE (VIZ STOCKHOLM 6270).

3. BEFORE TAKING UP MATTER OF COORDINATION WITH OTHER DONORS, PER REFTEL, WE BELIEVE IT WOULD BE USEFUL TO LOOK AT PRESENT STATE OF COORDINATION HERE. WE MAY USEFULLY DIVIDE PROBLEM INTO TWO PARTS, FIRST THE DISSEMINATION OF RELIABLE DATA ON, AND FORECASTS OF, STOCKS, OFFTAKES, IMPORT SHIPMENTS AND DOMESTIC PROCUREMENT; AND SECOND, THE BROADER FOOD POLICY ISSUES DIRECTLY ADDRESSED REFTEL. AT PRESENT, THERE IS NO FORMAL COORDINATION IN DACCA OF EITHER ASPECT OF FOOD PROBLEM. THERE IS NO FORMAL DACCA FOOD ADVISORY GROUP (DFAG).

(A) INFORMATION. IN PAST, RESIDENT WORLD FOOD PROGRAM ADVISER HAD ISSUED TO ALL DONORS A "FOODGRAIN FORECAST," PROJECTING STOCKS, IMPORTS AND OFFTAKES BY MONTH, AS WELL AS ANTICIPATED DOMESTIC PROCUREMENT LEVELS. THESE FORECASTS WERE BASED ON DISCUSSIONS WITH THE BDG FOOD MINISTRY AS WELL AS DONOR MISSIONS IN DACCA, AND ISSUED WITH CONCURRENCE OF THE BDG. THE FORECASTS HAVE NOT BEEN AVAILABLE SINCE EARLY CY 1976 BECAUSE BDG OFFICIALS AND WFP ADVISER HAVE NOT AGREED ON ESTIMATES OF STOCKS ON HAND AND FORECASTS. AT THE MAY, 1976 BANGLADESH AID GROUP MEETING IN PARIS THERE WAS SOME LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 DACCA 06132 01 OF 02 040146Z

DISCUSSION OF THE ADVISABILITY OF COORDINATING DONOR FOOD SHIPMENT ARRIVALS, BUT THE MATTER HAS NOT BEEN PURSUED BY THE BDG OR DONORS. THE WFP ADVISER HAS NO AUTHORITY FROM WFPROM TO ASSUME THIS ROLE. (DACCA 5644 AND STATE 276255 HOLD OUT HOPE THAT WFP GOVERNING COUNCIL ACTION MAY LEAD TO GIVING ADVISER HERE NECESSARY MANDATE FROM HEADQUARTERS.) ASSUMING SUCH A MANDATE IS FORTHCOMING, PROBLEM REMAINS OF GETTING BDG

AGREEMENT TO WORK AGAIN WITH ADVISER HERE TO REDUCE RELIABLE, AGREED FORECASTS. TIMING OF SHIPMENTS AMONG DONORS COULD FAIRLY EASILY FOLLOW REGULAR ISSUANCE OF AGREED FORECASTS, WITH CONSULTATIONS BY BDG WITH DONORS AND WFP ADVISER. IN SUM, THE FIRST PRIORITY, IN OUR VIEW, IS TO PERSUADE THE WFP GOVERNING COUNCIL AND HEADQUARTERS TO GRANT THE WFP GOVERNING COUNCIL AND THE WFP ADVISER THE AUTHORITY AND RESOURCES INCLUDING PERSONNEL TO PLAY SUCH AN INFORMATION-GATHERING ROLE THEN TO PERSUADE THE BDG TO COOPERATE FULLY IN SUPPLYING CREDIBLE DATE. AT THIS POINT, THE BDG IN CLOSE CONSULTATION WITH WFP ADVISER AND FOOD DONORS, COULD TAKE LEAD IN SCHEDULING ACTUAL ARRIVALS.

(B) DONOR COORDINATION OF FOOD POLICY MEASURES. AS STATED ABOVE CONTINUING ATTENTION TO FOOD POLICY MEASURES BY LEADING DONORS IS ESSENTIAL. FURTHERMORE, THIS YEAR OF HIGH PRIVATE STOCKS AND RELATIVE FOOD SECURITY REPRESENTS AN OPPORTUNITY FOR THE BDG TO IMPLEMENT FOOD POLICIES. TO TAKE FULL ADVANTAGE OF THIS OPPORTUNITY, WE WILL NEED THE SUPPORT OF THOSE ELEMENTS WITHIN THE BDG (E.G., AGRICULTURE MINISTRY) WHICH SHARE OUR VIEWPOINT. THE NEED TO GAIN THE SUPPORT OF THOSE WHO ARE CONCERNED WITH AGRICULTURAL DEVELOPMENT GOALS AND UNDERLYING FOOD PRODUCTION STRATEGIES STRONGLY SUGGESTS THAT THE BDG MUST PARTICIPATE IN SUBSTANTIVE DISCUSSIONS AMONG DONORS ON FOOD AID. UNFORTUNATELY, IT IS ALSO THE CASE THAT CONSORTIUM GROUPS FOR WHATEVER PURPOSE ARE UNWIELDY MECHANISMS FOR WHAT ARE OFTENTIMES QUESTIONS OR OPTIONS OF AN OPERATIONAL KIND. AN ALTERNATIVE, WHICH APPEALS TO US WOULD CENTER ON THE CREATION OF A FOOD POLICY CELL.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 DACCA 06132 02 OF 02 040217Z

67

ACTION NEA-10

INFO OCT-01 ISO-00 EUR-12 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 TRSY-02 IGA-02 L-03 AGRE-00 /097 W

----- 125658

R 031000Z DEC 76
FM AMEMBASSY DACCA
TO SECSTATE WASHDC 2848
INFO AMEMBASSY ROME

LIMITED OFFICIAL USE SECTION 2 OF 2 DACCA 6132

4. FOOD POLICY CELL. (A) WFP, UNDP, USAID AND MOST RECENTLY THE WORLD BANK HAE AT VARIOUS TIMES URGED THE BDG TO ESTABLISH A FOOD POLICY CELL AT A HIGH LEVEL OF GOVERNMENT. VARIOUS PLACEMENTS WITHIN BDG HAVE BEEN DISCUSSED INCLUDING ATTACHING THE CELL TO THE OFFICES OF THE DEPUTY CHIEF MARITAL LAW ADMINISTRATOR IN CHARGE OF FOOD, OR LOCATING IT IN THE OFFICES OF THE SECRETARY OF FOOD OR POSSIBLY IN THE PLANNING COMMISSION. SUCH A CELL WOULD BE STAFFED BYV HVIGHLY QUALIFIED BDG CIVIL SERVANTS WHO WOULD BE ADVISED BY EXPATRIATE EXPERTS. A HIGH LEVEL CELL WOULD BE CONCERNED WITH THE NEXUS OF AGRICULTURAL PRODUCTION GOALS, INCOME AND EMPLOYMENT GOALS AND THE MAINTENANCE OF RELIABLE SUPPLIES OF FOOD- GRAINS FOR THE URBAN SECTOR AND THE SOCIETY'S DESTI- TUTE. IT WOULD BE THE FUNCTION OF THE CELL TO FORMULATE OPTIONS FOR BDG DECISION-MAKERS WHICH WOULD VRATIONALIZE THESE GOALS (WHICH ARE SOMETIMES CONFLICTING) TO THE MAXIMUM EXTENT POSSIBLE. AS SUCH THE FOODGRAIN POLICY CELL WOULD BE AMULTI-DISCIPLINARY INSTITUTION RE- QUIRING COMPLETE ACCESS TO A WIDE RANGE OF DATA AND EXPERT OPINION WITHIN THE GOVERNMENT.

(B) WE FAVOR THE FOODGRAIN POLICY CELL APPROACH
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 DACCA 06132 02 OF 02 040217Z

FOR THE REASON THAT THE BDGNIS MORE LIKELY TO LVOOK FAVORABLY UPON FOOD POLICY MEASURES WHICH ORIGINATE WITHIN THEIR CIRCLES. SIMILARLY A HIGH LEVEL CELL, SUITABLY STAFFED AND SUPPORTED, WOULD GIVE THE DONORS MORE ASSURANCE THAT THE NECESSARILY WIDE RANGE OF ISSUES WHICH IMPINGE UPON FOODGRAIN IMPORT LEVELS ARE BEING CONSIDERED.

5. SPECIFIC RECOMMENDATIONS/CONCLUSIONS. TO BOTAIN AN EARLY RESUMPTION OF THE ISSUANCE OF AGREED, CREDIBLE FOODGRAIN STATISTICS AND PROJECTIONS (PARA 3(A) ABOVE), WE SHOULD:

(A) PURSUE AND FOLLOW UP ON THE INITIATIVE IN THE WFP GOVERNING COUNCIL TO GIVE THE WFP ADVISER HERE THE NECESSARY MANDATE AND RESOURCES INCLUDING PERSONNEL TO DO THIS TASK AND SUPPORT HIM IN THIS APPVROACHES TO THE BDG. (WE BELIEVE WE MUST GET BDG FOODGRAIN STATISTICS MONTHLY AND ADDRESS THIS POINT IN

OUR DRAFT VSELF-HELP MEASURES.) WE BELIEVE THAT OTHER DONORS HERE WOULD ALSO SUPPORT A RESUMPTION OF THE PUBLICATION OF THESE FORECASTS, BUT THAT IT WOULD BE PRUDENT TO WAIT ACTION IN ROME BEFORE LINING UP SUPPORT FOR THE WFP ADVISER HERE;

(B) CONSULT WITH IBRD WASHINGTON AND IBRD DACCA ON THE TERMS OF REFERENCE FOR THE UPCOMING BANK MISSION IN FEBRUARY FOR A FOOD GRAIN POLICY CELL, WITH A VIEW TO OBTAINING THEIR THOUGHTS ON THE SCOPE AND LOCATION OF SUCH A CELL; AND

(C) SEEK IBRD MISSION CHIEF'S AGREEMENT TO DEVOTING A LOCAL DONORS' GROUP MEETING TO A PRESENTATION BY RELEVANT BDG OFFICIALS ON THE FOOD SITUATION AND FOOD POLICY MEASURES AND TAKE THE OPPORTUNITY TO PRESS FOR EARLY ESTABLISHMENT OF THE PROPOSED FOOD CELL, AS WELL AS FOR ADOPTION OF THE ARRAY OF MEASURES PROMISED AT THE BANGLADESH AIDV GROUPV MEETING SIX MONTHS AGO.

6. AGATT DISSENT. AS TO THE NEED FOR AN ENTITY TO ADVISE THE BDG ON SCHEDULING IMPORTS; THE AGRICULTURAL ATTACHE FEELS THAT THE BDG, RATHER THAN ANY DONOR GROUP, SHOULD COORDINATE FOOD GRAIN ARRIVALS. THE BDG IS FULLY CAPABLE OF DOING SO (AND DEFINITELY FEELS IT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 DACCA 06132 02 OF 02 040217Z

IS THEIR SOLE PEROGATIVE), IS THE ONLY ENTITY THAT HAS ALL THE NECESSARY STATISTICS, INCLUDING PURCHASES, ARRIVALS, STOCKS, OFFTAKE AND FUTURE REQUIREMENTS. THE BDG DOES PREPARE MONTHLY SUMMARIES AND FORECASTS. IN THE PAST THEY WERE IN ENGLISH AND WE RECEIVED COPIES. NOW, THEY ARE CLASSIFIED "SECRET", NOT PUBLISHED IN BANGLA, AND ARE NOT AVAILABLE TO US. PERHAPS THE FY 1977 PL-480, TITLE I AGREEMENT COULD INCLUDE AN ASSURANCE THAT WE RECEIVE A COPY OF SUCH MONTHLY REPORT IN ENGLISH. THE WFP REPRESENTATIVES OBTAIN ALL THEIR STATISTICS FROM THE BDG. ONLY THE BDG REALLY KNOWS THEIR REQUIREMENTS, THEIR STORAGE AND STOCK SITUATION. THE BDG HAVE EXPRESSED OPPOSITION TO ANY OTHER ENTITY HANDLING THEIR IMPORT SCHEDULING. TRADITIONALLY THE USG HAS PARTIAL CONTROL OF THE PL-480, TITLE I SHIPMENTS BY THE TIMING OF NEGOTIATIONS OF AGREEMENTS AND ISSUANCE OF PURCHASE AUTHORIZATIONS. THE AGATT FAVORS THE FOOD CELL PROPOSAL IF ASSIGNED IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES. HOWEVER, THE MINISTRY OF FOOD ALREADY HAS A PLANNING GROUP.

7. CONCLUSION. I BELIEVE IT IMPORTANT TO OFFER WASHINGTON POLICY MAKERS THE BENEFIT OF THE FULL RANGE OF EXPERTISE AND OPINION ON THE COUNTRY TEAM ON THE ISSUES RAISED HERE AND HAVE, ACCORDINGLY, INCLUDED BOTH POINTS

OF VIEW IN THIS MESSAGE. DIFFERENCES CENTER ON OUR
APPRECIATION OF THE CAPACITY AND WILLINGNESS OF THE BDG
TO ISSUE RELIABLE FORECASTS AND TO COORDINATE ARRIVALS.
I JOIN COUNTRY TEAM MEMBERS IN RECOMMENDING THE CREATION
OF A FOOD CELL. I SHARE THE MAJORITY VIEW CONCERN-
ING THE DESIRABILITY OF BRINGING THE WORLD FOOD PROGRAM
ADVISER INTO A ROLE IN THE PREPARATION AND DISSEMINATION
TO DONORS OF FOODGRAIN FORECASTS SUCH AS THOSE
DESCRIBED ABOVE, PREPARED WITH BDG PARTICIPATION AND
CONCURRENCE, TO PROVIDE DONORS ON AGREED BASIS FOR
ANTICIPATING REQUIREMENTS AND SCHEDULING IMPORTS.
I DO NOT PERCEIVE THE ROLE OF THE WFP ADVISOR TO BE A DECISION
MAKING ONE AND CERTAINLY IT WILL NOT BE A PANACEA FOR ALL THE
PROBLEMS OF FOOD GRAIN COORDINATION. WE WILL CONTINUE TO NEED
TO KEEP CLOSE WATCH ON THE SITUATION OURSELVES. HOWEVER, I BELIEVE
THE POSITION WILL PROVIDE AN EFFECTIVE CHANNEL THROUGH WHICH ALL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 DACCA 06132 02 OF 02 040217Z

CONCERNED PARTIES CAN GET A TIMELY UNDERSTANDING OF THE
SITUATION. WHILE THE BDG CAN BE EXPECTED INITIALLY TO RESIST
THIS APPROACH, I BELIEVE OVER TIME IT WILL COME TO APPRECIATE
THAT THIS APPROACH WILL ENSURE A MORE CONTINUOUS AND RELIABLE
FLOW OF IMPORTS WHEN NEEDED AND THUS REDOUND TO THEIR
ADVANTAGE.
MASTERS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, INTERGOVERNMENTAL COOPERATION, FOOD ASSISTANCE, GIFTS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: coburnhl
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976DACCA06132
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760448-0881
From: DACCA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761276/aaaacnry.tel
Line Count: 306
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 273761
Review Action: RELEASED, APPROVED
Review Authority: coburnhl
Review Comment: n/a
Review Content Flags:
Review Date: 26 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 APR 2004 by BoyleJA>; APPROVED <16 AUG 2004 by coburnhl>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BANGLADESH DONOR FOOD COORDINATION
TAGS: EAID, EAGR, BG, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006